

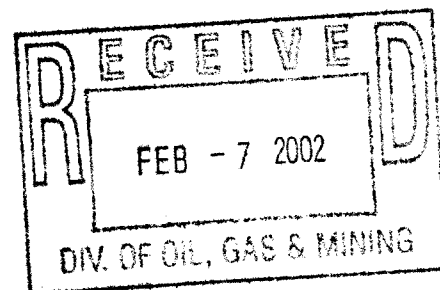
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Kennecott Utah Copper Corporation
12000 West 2100 South
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William J. Adams, Ph.D.
Director, Environmental Affairs

7K/35/002
JAN 31 2002
Kennecott

January 31, 2002

Mr. Wayne Hedberg, Permit Supervisor
Minerals Reclamation Program
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801



Subject: Annual Reports for 2001, Kennecott Utah Copper Corporation

Dear Mr. Hedberg:

Enclosed are the completed annual report forms for the following DOGM permits:

M/035/002	Bingham Pit and UCD Modernization,
M/035/011	4th Line/Copperton Concentrator,
M/035/015	North Impoundment,
M/045/004	Pine Canyon Reclamation Project.

As in last year's reports, all disturbed and reclaimed acreage on the existing tailings impoundment is reported under permit number M/035/002.

In addition to the reclamation activities documented in the attached reports, the following work was conducted by KUCC in the Oquirrh Mountains outside of the DOGM jurisdictional boundaries:

Smelter Area – 5 acres, East Rail Yard – contoured and seeded

Smelter Area – 55 acres, Kessler Canyon – contoured and seeded

0022

In 2001 KUCC spent more than \$2,400,000 dollars on reclamation activities within the boundaries of permit #M/035/002. These costs included purchases of seed, fertilizer, surface preparation, seedlings, and planting. They also included a sprinkler irrigation system for the Magna Tailing impoundment. After correcting for inflation, this equates to more than \$740,000 spent in 1978 dollars. This is well in excess of the \$50,000 annual expenditure required by permit #M/035/002.

If you have any questions about these annual reports, please contact Jim Kandolin at 569-6208.

Sincerely,

A handwritten signature in cursive script, appearing to read "William J. Adams".

William J. Adams, Ph.D.

Director, Environmental Affairs

Enclosures